

Memorandum

To: Chair and Commissioners

Date: March 18, 2002

From: Diane C. Eidam

**File No:
Reference Number 2.1e(1)
Action**

Ref: Project Approval Amendment to the Peninsula Corridor Joint Powers Board to Amend PA-98-02 for the Passenger Railcar Purchase Project

Issue:

Should the Commission approve the Peninsula Corridor Joint Powers Board's amended application to reduce the Proposition 116 funds (PUC Section 99636 [a], [b], and [c]) on the Passenger Railcar Purchase project by \$853,525?

The Peninsula Corridor Joint Powers Board completed the acquisition of 20 new passenger railcars in November 2001. This project was fully completed under budget, which was originally approved for \$2.5 million in Proposition 116 Rail Bond funds. The total project cost was \$35,870,656, of which \$1,646,475 in Proposition 116 funds was expended.

Recommendation:

Commission staff has reviewed the Proposition 116 amended application, as well as subsequent clarifications and recommends that the Commission approve the attached resolution, which would grant approval of the Peninsula Corridor Joint Powers Board's amended application to reduce the Proposition 116 funds (PUC Section 99636) for Passenger Railcar Purchase by \$853,525 in cost savings for a total of \$1,646,475 in Proposition 116 funds on this project. The total project cost is \$35,870,656.

Background:

Proposition 116 (PUC Section 99636 [a], [b], [c], and [d]) authorizes \$173,000,000 to Peninsula Corridor Joint Powers Board (JPB) for CalTrain capital improvements and acquisition of rights-of-way.

In January 1998, the Commission approved PA-98-02 for the Peninsula Corridor JPB project application for the Passenger Railcar Purchase project in the amount of \$2.5 million in Proposition 116 Rail Bond funds to purchase nineteen new passenger rail cars.

In February 2002, the Commission received an amended application from Peninsula Corridor JPB to reduce the Proposition 116 funds on the Passenger Car Purchase project by \$853,525 in cost savings for a total of \$1,646,475 in Proposition 116 Rail Bond funds on the project. The Peninsula Corridor JPB notified the Commission that it completed the purchase of twenty new passenger rail cars in November 2001 for a total project cost of \$35,870,656.

The final funding breakdown is as follows:

\$ 1,646,475	Proposition 116 – PCJPB (PUC 99636)
\$31,676,842	Proposition 116 – Caltrans (PUC 99649)
\$ 2,547,339	Proposition 108
\$35,870,656	Total

CALIFORNIA TRANSPORTATION COMMISSION

Commission Project Application Approval Amendment
of the Peninsula Corridor Joint Powers Board
Proposition 116 Application for the
Passenger Railcar Purchase

Resolution #PA-02-
Amending Resolution #PA-98-02

- 1.1 WHEREAS, in June 1990 the voters approved Proposition 116, the Clean Air and Transportation Improvement Act, for \$1.99 billion for rail and mass transportation purposes; and
- 1.2 WHEREAS, the California Transportation Commission is designated in Proposition 116 to oversee the five grant programs over the 20-year term of the Proposition; and
- 1.3 WHEREAS, Proposition 116 calls for the Commission to establish an application process and to develop and adopt guidelines to implement those programs; and
- 1.4 WHEREAS, Proposition 116 establishes as a purpose of the application process that it "facilitate implementation of improved cost-effective transit service to the maximum number of Californians and to prevent the funds provided for by this part from being spent on needlessly costly features"; and
- 1.5 WHEREAS, Proposition 116 requires applications to specify full and complete capital plans, financial plans, and operating plans, including schedules and funding sources; and
- 1.6 WHEREAS, in December 1990 the Commission adopted policy and application guidelines (#G-90-23) for the Proposition 116 rail program; and
- 1.7 WHEREAS, pursuant to Proposition 116, PUC Section 99636, and contingent upon approval by the Commission of an application for funding, \$173,000,000 shall be allocated to the Peninsula Corridor Joint Powers Board (JPB) for CalTrain capital improvements and acquisition of rights-of-way as follows:
 - (a) City and County of San Francisco -- \$13,000,000
 - (b) San Mateo County -- \$19,000,000
 - (c) Santa Clara County -- \$21,000,000
 - (d) Acquisition of rights-of-way -- \$120,000,000; and
- 1.8 WHEREAS, in January 1998, the Commission approved the Peninsula Corridor JPB Proposition 116 application requesting \$2,500,000 in Proposition 116 funds for the purchase of 19 passenger railcars for the Peninsula Commute (CalTrain), with a total project cost of \$36.2 million from all funding sources; and

- 1.9 WHEREAS, in February 2002, the Commission received an amended proposition 116 application to reduce the Proposition 116 funds on the Passenger Car Purchase project by \$853,525 in cost savings for a total of \$1,646,475 in Proposition 116 funds on the project; and
- 1.10 WHEREAS, the Commission received clarification and supplemental information from the Peninsula Corridor JPB on the February 2002 amended Proposition 116 application, which indicated that the JPB was able to purchase twenty new passenger rail cars for a project total of \$35.9 million from all funding sources; and
- 1.11 WHEREAS, Commission staff has reviewed the February 2002 amended application, including all supplemental information and it appears to meet all the basic requirements as specified in Proposition 116 and the Commission's policies and guidelines.
- 2.1 BE IT THEREFORE RESOLVED, that the Commission hereby grants approval of the amended Proposition 116 application for the Passenger Railcar Purchase to reduce the Proposition 116 funds by \$853,525 to \$1,646,475; and
- 2.2 BE IT FURTHER RESOLVED, that a Proposition 116 project approval by the Commission reserves the State funding within the Program, and allows project development work to be undertaken by the applicant agency, which will be subject to state reimbursement pursuant to the Commission's "Financial Guidelines for Local Agency Reimbursement" and subsequent fund transfer agreement.